HOUSING MARKET INFORMATION

RENTAL MARKET REPORT
Thunder Bay CMA

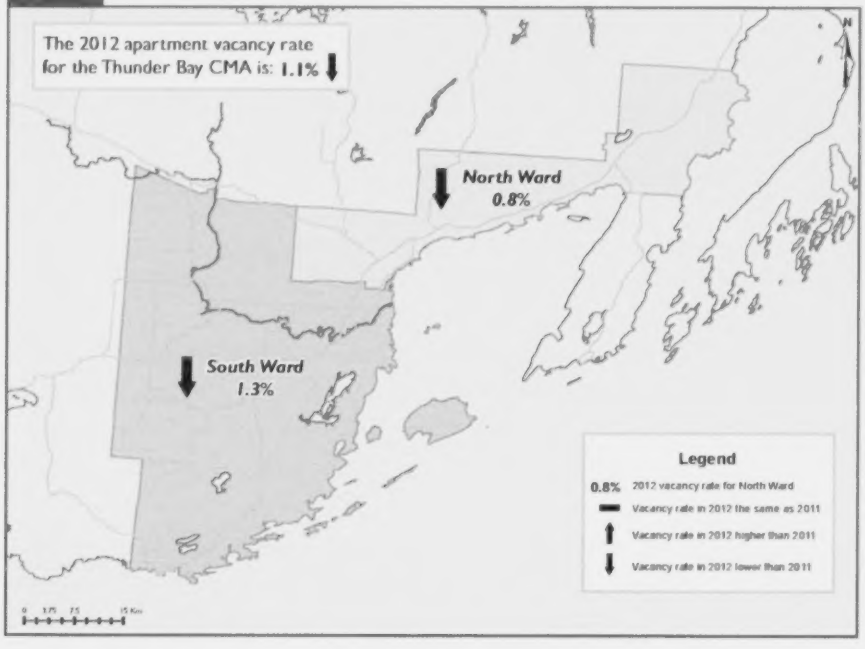
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Fall 2012

Highlights

- The vacancy rate in Thunder Bay continued its descent, falling to 1.1 per cent in October 2012 from 1.7 per cent in October 2011.
- Fixed-sample two bedroom rents increased by 5.4 per cent, nearly double the 2.9 per cent increase in 2011.
- Factors exerting downward pressure on vacancies include limited new rental supply, an extremely tight resale market, strong employment growth and positive and continued in-migration to the city.
- Expect a further tightening in the vacancy rate for 2013 to 0.9 per cent, as employment continues to grow boosting in-migration further. Rents will rise by 3.0 per cent next year.

Figure 1



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Rental Market Overview

The vacancy rate among apartments with at least three units (3+) in the Thunder Bay Census Metropolitan Area (CMA) fell to 1.1 per cent in October 2012 from 1.7 per cent in October 2011, according to CMHC's Fall 2012 Rental Market Survey (RMS).

With this third consecutive decline in the October vacancy rate, Thunder Bay now has the second lowest vacancy rate in the country among centres with populations over 100,000. Northern Ontario's other major centre, Sudbury, saw its rate at 2.7 per cent, remain statistically unchanged for the fourth consecutive year. Meanwhile, elsewhere in Northwestern Ontario, Kenora's vacancy rate increased for the second straight October to 5.5 per cent in 2012, up from 5.0 per cent in 2011.

Factors Exerting Downward Pressure on Vacancy Rates

Several factors have exerted downward pressure on vacancy rates in the Thunder Bay area. First, new supply has been scarce for five years in the Thunder Bay CMA, pushing the vacancy rate below three per cent. With the exception of last year, very little purpose built rental construction has broken ground. Given that last year's 160 units will not be added to the rental universe until completion, they did not have an effect on the 2012 vacancy rate.

Very little product choice in the resale market for prospective buyers was another contributing factor to a declining vacancy rate. After peaking in 2008, sales have fallen or been flat since then. 2011 sales fell below 1,400 for the first time since 2000 and are on track to be in that range again in 2012. Listings have been falling since 2006 and currently listings are near an all-time low. With sales of existing homes waning, first-time homebuyers or newcomers to Thunder Bay searching for ownership housing may be forced to put off home buying decisions this year thereby remaining in rental accommodations.

Finally, positive net migration is a key factor fuelling rental demand since a high proportion of people moving in tend to be renters.

Vacancies vary across wards and bedroom types

North Ward vacancies have remained below average for several years and are at 0.8 per cent in October 2012. The South Ward vacancies dropped significantly recently and stand at 1.3 per cent as of October 2012. Proximity to the university and the newer rental stock in the North Ward are two key reasons for this area's popularity in the Thunder Bay rental market. In contrast, the drop in South Ward vacancies over the last twelve months underlined the significant tightening in the market. In this tightening vacancy environment, prospective renters are forced to look in all parts of the city for available accommodation.

Apartment Vacancy Rates (%) by Major Centres

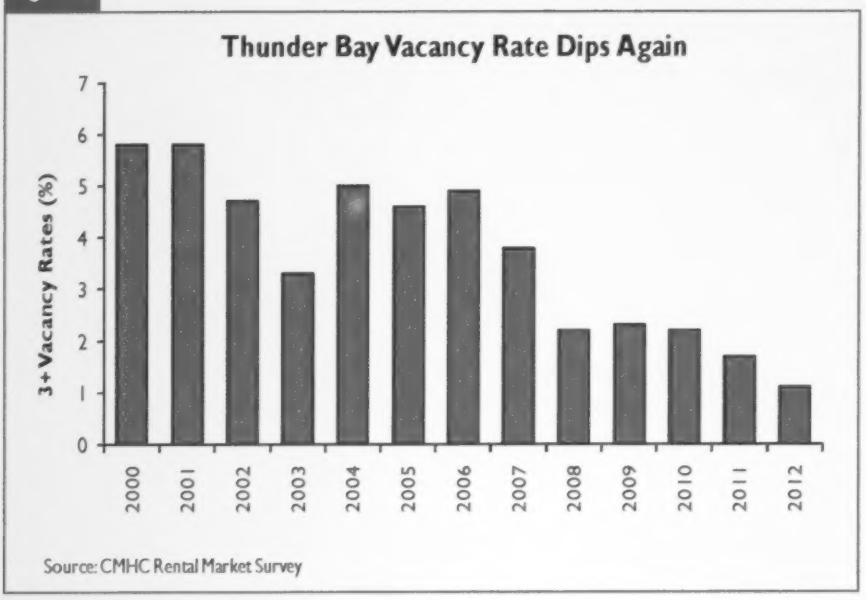
	Oct. 2011	Oct. 2012
Abbotsford	6.7	4.2
Barrie	1.7	2.0
Brantford	1.8	3.5
Calgary	1.9	1.3
Edmonton	3.3	1.7
Gatineau	2.2	3.3
Greater Sudbury	2.8	2.7
Guelph	1.1	1.4
Halifax	2.4	3.0
Hamilton	3.4	3.5
Kelowna	3.0	4.0
Kingston	1.1	1.7
Kitchener-Cambridge-Waterloo	1.7	2.6
London	3.8	3.9
Moncton	4.3	6.7
Montréal	2.5	2.8
Oshawa	1.8	2.1
Ottawa	1.4	2.5
Peterborough	3.5	2.7
Québec	1.6	2.0
Regina	0.6	1.0
Saguenay	1.4	2.0
Saint John	5.9	9.7
Saskatoon	2.6	2.6
Sherbrooke	4.7	5.0
St. Catharines-Niagara	3.2	4.0
St. John's	1.3	2.8
Thunder Bay	1.7	1.1
Toronto	1.4	1.7
Trois-Rivières	3.9	5.2
Vancouver	1.4	1.8
Victoria	2.1	2.7
Windsor	8.1	7.3
Winnipeg	1.1	1.7
Total	**2.2**	**2.6**

For additional information, please refer to the Rental Market Report - Canada Highlights on the CMHC website

Thunder Bay fixed sample rent increase behind only Calgary

Fixed-sample rents for two-bedroom units increased 5.4 per cent from 2011 to 2012, up strongly from the 2.9 per cent increase last year. This rent increase leaves Thunder Bay second, behind Calgary in terms of the highest year-over-year rent increases for CMA's (centres over 100,000 in population) in the country. As mentioned, Thunder Bay's rental market has tightened due to an improved economy, stronger income growth and higher levels of migration. Consequently some vacated units were filled at a rent level which exceeded allowable guidelines

Figure 2

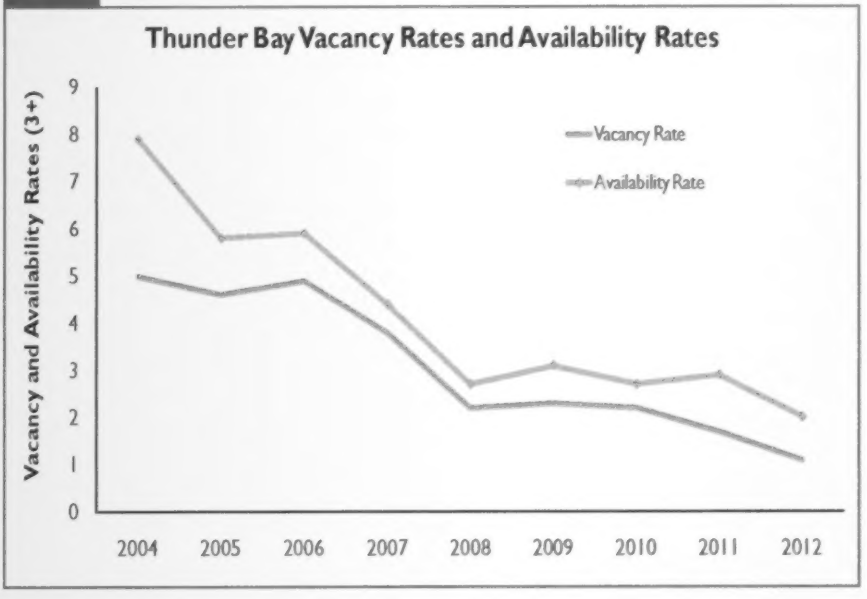


resulting in stronger fixed sample rent increases.

Larger, newer buildings continue to be popular

The size of an apartment structure and its corresponding vacancy rate are inversely related in Thunder Bay. Smaller structures are experiencing the highest vacancies while the structures with between 50 and 99 units posted the lowest. In addition, rents are generally higher in larger projects, which tend to be newer. Structure age appears to be another important variable for renters. Historically, larger, newer apartment blocks, tend to have better records related to maintenance and repairs and hence, lower vacancy rates. And currently, no new rental completions of note in 2012 mean less competition for newer higher priced stock.

Figure 3



According to the 2011 Census, Thunder Bay has a population base that is older than both the Canadian and Ontario average. These older members of the population may desire a more maintenance free lifestyle which rental tenure provides given the shortage of alternative housing choices in Thunder Bay. Larger, well managed buildings with a predominance of two bedroom units often provide this sought-after option.

Higher Rents, Lower Vacancy Rates

In Thunder Bay, a flight to quality units with higher rents has been an ongoing trend. Vacancy rates are higher in structures with lower rents and lower in structures with higher rents, according to vacancy data by rent range. The vacancy rate in structures with rents between $900 and $1000 is 0.4 per cent. Meanwhile, vacancies by rent range do indicate higher vacancy rates (2.1 per cent) in units with rents under $600. This implies that there could be some renter movement from lower priced accommodations to higher priced units.

Rental Outlook

Thunder Bay's vacancy rate has been on a downward trend since 2006 and will continue declining next year. Demand will outstrip supply in 2013 even with new units entering the market. Migration took a positive step forward in 2010-2011 for the third consecutive year denoting continued movement from the region into

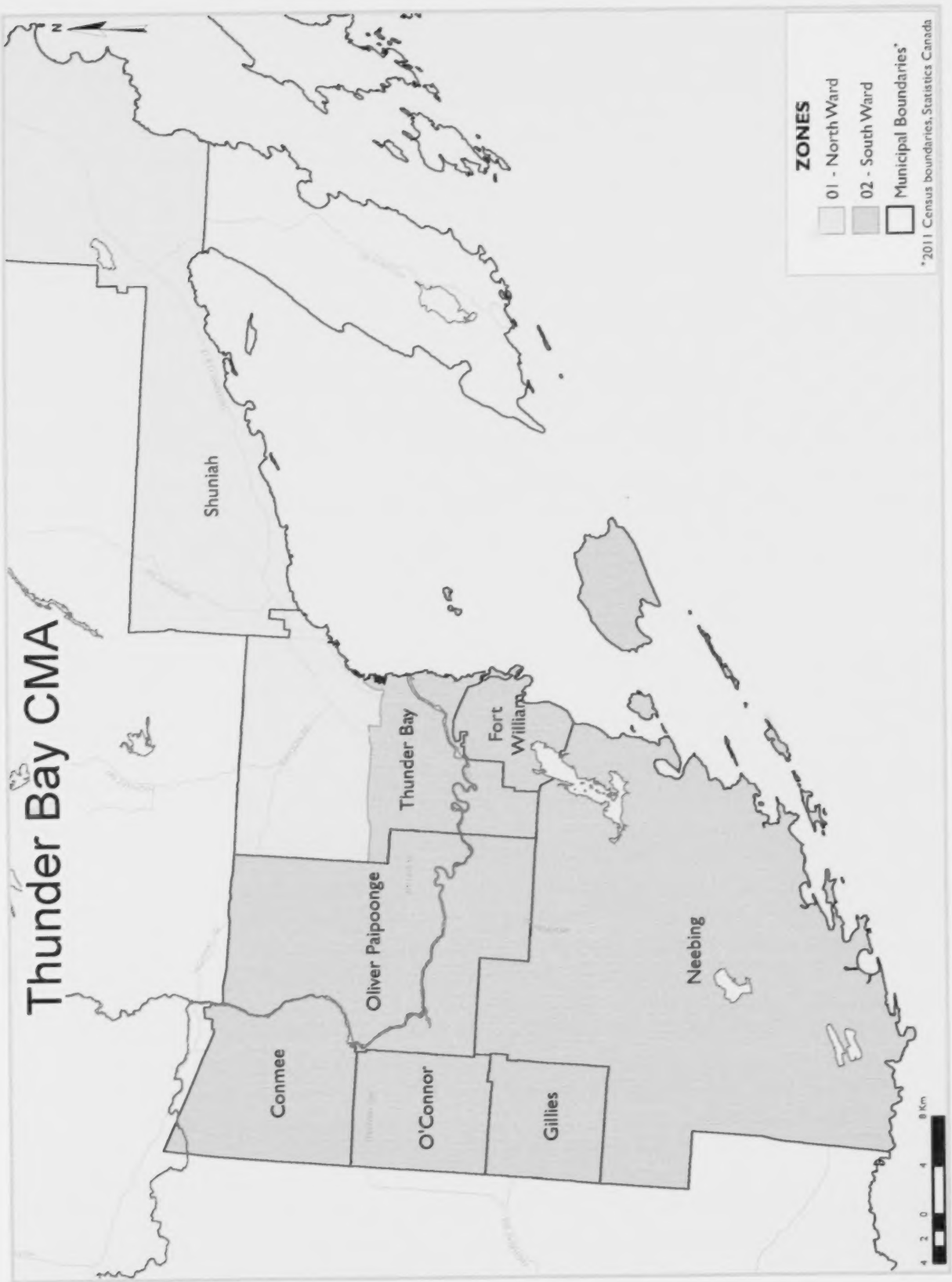
Thunder Bay and some international migrants that may seek rental accommodation.

Next year, the unemployment rate should continue trending downward as employment growth continues to outstrip labour force growth. Once again, job seekers or recent hires migrating to Thunder Bay may choose rental accommodation first, as they begin settling in the city.

On the other hand, mortgage rates will remain low providing good conditions for homeownership. On balance, the vacancy rate is forecast to fall further to 0.9 per cent in 2013. Lower vacancy rates will result in increased growth in rents with the average two bedroom rent once again rising above the provincial rent guideline in 2013 of 2.5 per cent. Watch for Thunder Bay two bedroom rents to rise 3.0 per cent in 2013 given the expected tight vacancy rate environment.

Figure 4

Data to Oct 2012.
Source: Labour Force Survey.


Thunder Bay CMA
N
ZONES
01 - North Ward
02 - South Ward
Municipal Boundaries*
*2011 Census boundaries, Statistics Canada
Shuniah
Thunder Bay
Fort William
Oliver Paipoonge
Neebing
Conmee
O'Connor
Gillies
4 2 0 4 8 Km

RMS ZONE DESCRIPTIONS - THUNDER BAY CMA	
Zone 1	**North Ward:** Thunder Bay Census Metropolitan Area north of a line running roughly along 10th and 11th Avenues to Edward Street; then east of Edward Street to Oliver Road; then north of Oliver Road to the CMA's western boundary.
Zone 2	**South Ward:** Thunder Bay Census Metropolitan Area south of a line running roughly along 10th and 11th Avenues to Edward Street; then west of Edward Street to Oliver Road; then south of Oliver Road to the CMA's western boundary.
Zones 1-2	**Thunder Bay CMA**

RENTAL MARKET REPORT TABLES

Available in ALL Rental Market Reports

Private Apartment Data:

1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
1.1.2 Average Rents ($) by Zone and Bedroom Type
1.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
1.1.4 Availability Rates (%) by Zone and Bedroom Type
1.1.5 Estimate of Percentage Change (%) of Average Rent
1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
1.2.2 Average Rents ($) by Year of Construction and Bedroom Type
1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
1.3.2 Average Rents ($) by Structure Size and Bedroom Type
1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

1.3.3 Vacancy Rates (%) by structure Size and Zone

Private Row (Townhouse) Data:

2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
2.1.2 Average Rents ($) by Zone and Bedroom Type
2.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
2.1.4 Availability Rates (%) by Zone and Bedroom Type
2.1.5 Estimate of Percentage Change (%) of Average Rent

Private Apartment and Row (Townhouse) Data:

3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
3.1.2 Average Rents ($) by Zone and Bedroom Type
3.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
3.1.4 Availability Rates (%) by Zone and Bedroom Type
3.1.5 Estimate of Percentage Change (%) of Average Rent

Available in the Quebec, Montreal, Ottawa, Toronto, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Vancouver and Victoria Reports

Rental Condominium Apartment Data *

4.1.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%)
4.1.2 Rental Condominium Apartments and Private Apartments in the RMS - Average Rents ($)
4.1.3 Rental Condominium Apartments - Average Rents ($)
4.2.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%) by Building Size
4.3.1 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate
4.3.2 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate by Building Size

Available in the Montreal, Toronto, Vancouver, St. John's, Halifax, Quebec, Barrie, Ottawa, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Abbotsford, Kelowna and Victoria Reports

Secondary Rented Unit Data

5.1 Secondary Rented Unit Average Rents ($) by Dwelling Type
5.2 Estimated Number of Households in Secondary Rented Units and Estimated Percentage of Households in Secondary Rented Units by Dwelling Type

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - North Ward	**	1.2	1.3	1.0	1.5	0.6	0.0	2.4	1.4	0.8
Zone 2 - South Ward	**	5.2	2.2	1.4	1.9	0.6	**	0.0	2.2	1.3
Thunder Bay CMA	**2.1**	**3.8**	**1.7**	**1.2**	**1.7**	**0.6**	**2.5**	**1.7**	**1.7**	**1.1**

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.2 Private Apartment Average Rents ($) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - North Ward	539	540	676	724	801	871	1,013	1,074	755	815
Zone 2 - South Ward	504	526	609	630	734	751	849	837	671	686
Thunder Bay CMA	**518**	**531**	**641**	**676**	**772**	**818**	**959**	**1,017**	**716**	**754**

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b- Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
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1.1.3 Number of Private Apartment Units in the Universe by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - North Ward	98	103	1,019	1,043	1,561	1,533	100	96	2,778	2,775
Zone 2 - South Ward	186	183	1,001	1,004	1,252	1,244	45	45	2,484	2,476
Thunder Bay CMA	**284**	**286**	**2,020**	**2,047**	**2,813**	**2,777**	**145**	**141**	**5,262**	**5,251**

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1.1.4 Private Apartment Availability Rates (%) by Zone and Bedroom Type Thunder Bay CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - North Ward	**	1.2	2.2	2.3	2.9	1.9	0.0	4.8	2.5	2.1
Zone 2 - South Ward	**	7.1	3.5	2.0	2.7	1.3	**	0.0	3.3	2.0
Thunder Bay CMA	**4.8**	**5.1**	**2.8**	**2.1**	**2.8**	**1.6**	**2.5**	**3.4**	**2.9**	**2.0**

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Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type Thunder Bay CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12
Zone 1 - North Ward	**	**	1.7	7.6	2.5	6.6	++	**	2.5	6.7
Zone 2 - South Ward	3.4	5.1	4.0	4.2	3.4	3.9	++	2.9	3.7	3.6
Thunder Bay CMA	**2.7**	**5.3**	**2.8**	**6.0**	**2.9**	**5.4**	**	**5.1**	**3.1**	**5.2**

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years

The following letter codes are used to indicate the reliability of the estimates:
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** Data suppressed to protect confidentiality or data not statistically reliable.
++ Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Thunder Bay CMA										
Pre 1940	**	**	3.8	1.9	2.9	**	0.0	5.9	3.8	2.2
1940 - 1959	0.0	2.1	**	1.2	1.7	1.7	**	**	1.9	1.5
1960 - 1974	0.0	3.2	1.4	0.9	1.3	0.5	**	0.0	1.3	0.8
1975 - 1989	0.0	0.0	1.0	0.8	2.1	0.6	**	0.0	1.7	0.6
1990+	**	**	**	9.6	0.0	0.0	**	**	0.5	2.1
Total	2.1	3.8	1.7	1.2	1.7	0.6	2.5	1.7	1.7	1.1

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1.2.2 Private Apartment Average Rents ($) by Year of Construction and Bedroom Type Thunder Bay CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Thunder Bay CMA										
Pre 1940	469	503	558	580	661	720	820	906	586	615
1940 - 1959	463	483	547	573	668	701	**	**	597	619
1960 - 1974	573	567	670	709	778	813	952	1,016	728	759
1975 - 1989	542	544	684	730	790	832	1,057	1,106	757	801
1990+	**	**	684	706	875	973	953	1,019	871	950
Total	518	531	641	676	772	818	959	1,017	716	754

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
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Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.1 Private Apartment Vacancy Rates (%) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Thunder Bay CMA										
3 to 5 Units	**	**	2.9	1.1	1.9	0.7	**	**	2.6	1.1
6 to 19 Units	**	3.8	2.6	2.4	2.4	1.0	2.5	2.6	2.5	1.8
20 to 49 Units	0.0	4.7	1.1	0.5	0.8	0.1	0.0	0.0	0.9	0.6
50 to 99 Units	0.0	0.0	0.0	0.8	2.3	0.9	**	**	1.4	0.8
100+ Units	**	**	**	**	**	**	**	**	**	**
Total	2.1	3.8	1.7	1.2	1.7	0.6	2.5	1.7	1.7	1.1

The following letter codes are used to indicate the reliability of the estimates:
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Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.2 Private Apartment Average Rents ($) by Structure Size and Bedroom Type Thunder Bay CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Thunder Bay CMA										
3 to 5 Units	474	493	551	576	689	715	922	971	631	658
6 to 19 Units	479	502	602	626	693	741	965	1,020	657	692
20 to 49 Units	557	562	662	699	788	847	837	946	726	771
50 to 99 Units	548	605	748	807	896	916	**	**	844	878
100+ Units	**	**	**	**	**	**	**	**	**	**
Total	518	531	641	676	772	818	959	1,017	716	754

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
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1.3.3 Private Apartment Vacancy Rates (%) by Structure Size and Zone Thunder Bay CMA

Zone	3-5		6-19		20-49		50-99		100+	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - North Ward	1.2	1.4	3.1	2.3	0.4	0.2	1.6	0.3	**	**
Zone 2 - South Ward	3.6	0.8	2.3	1.5	1.4	1.0	**	**	n/u	n/u
Thunder Bay CMA	**2.6**	**1.1**	**2.5**	**1.8**	**0.9**	**0.6**	**1.4**	**0.8**	**	**

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Please click Methodology or Data Reliability Tables Appendix link for more details

1.4 Private Apartment Vacancy Rates (%) by Rent Range and Bedroom Type Thunder Bay CMA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Thunder Bay CMA										
LT $600	2.6	4.8	2.6	1.3	2.7	0.0	**	**	2.6	2.1
$600 - $699	0.0	3.2	1.2	2.3	2.8	1.1	**	**	2.0	1.8
$700 - $799	**	**	1.5	0.8	1.4	0.7	**	**	1.4	0.7
$800 - $899	n/s	**	1.2	0.8	1.3	0.4	**	**	1.2	0.7
$900 - $999	n/s	n/s	**	**	1.2	0.6	**	0.0	1.3	0.4
$1000+	**	**	**	**	**	0.9	**	**	**	1.1
Total	2.1	3.8	1.7	1.2	1.7	0.6	2.5	1.7	1.7	1.1

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
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Please click Methodology or Data Reliability Tables Appendix link for more details

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled structures.
The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports (fall survey only). The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. Rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa, Montréal and Québec (NOTE: Condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Toronto, Winnipeg, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

Every year CMHC reviews the method of estimation for Household Rent Survey, which may result in some changes to previously published estimates. All statistics in this report are reflective of the new method of estimation.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

October 2011 data presented is based on Statistics Canada's 2006 Census area definitions. October 2012 data presented is based on Statistics Canada's 2011 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicators

CMHC no longer reports on its rental affordability indicators (i.e. average rent compared to average renter income) given significant variability of underlying renter income data.

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